

# NEWS FROM

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## **Financial Aid Tip of the Month, June 2005**

### **Take care when dealing with student financial aid companies**

The parents of nearly every high school student will be bombarded by companies offering to help them through the college financial aid process.

You don't need consultants, said Dr. Bill Wall of the Alabama Student Loan Program and The Student Loan People<sup>sm</sup>. You're much better off spending your money on college instead of a consultant and doing your own research at AlabamaMentor.org, Alabama's one-stop higher education website that offers free financial aid information, scholarship searches, and information about scholarship scams.

If you decide to use a consultant, you should be a careful shopper. While there are reputable consultants out there who will do a good job for you, there are also companies run by con artists.

A common pitch is to tell you that you've been invited to a free financial aid seminar. The seminar usually turns out to be little more than an infomercial for the company's services, often a hard-sell infomercial at that.

One thing you should do is check out the company with the Better Business Bureau and the attorneys general in both Alabama and the state where the company is located. You might also want to put the name of the company through an Internet search engine.

If all you need is help filling out the Free Application for Federal Student Aid, more commonly called the FAFSA, there's no need to pay. Many high schools and colleges will provide free help.

Above all, run from any consultant who advises you to misrepresent your income and assets on the FAFSA. That's against the law.

For more information about student financial aid and college planning, visit [www.alstudentaid.com](http://www.alstudentaid.com) or [www.alabamamentor.org](http://www.alabamamentor.org); write the Alabama Student Loan Program, 100 North Union Street, Suite 308, Montgomery, AL 36104-3761; or call 334-265-9720, toll free (800) 721-9720.